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| <b>Committee:</b>  | <b>Date:</b>                         | <b>Item</b>           |
| Residents Consultation Committee<br>Barbican Residential Committee | 28 November 2011<br>12 December 2011 | <b>6</b>              |
| <b>Subject:</b><br><b>Car Parking Charging Policy</b>              |                                      | <b>Public</b>         |
| <b>Report of:</b><br>Director of Community and Children's Services |                                      | <b>For Discussion</b> |
|  |                                      |                       |

### **Summary**

1. This report, which is for decision seeks to extend the current charging policy for car parking on the Estate for a further three years.
2. Fees for car parking have been reviewed between 2009 and 2011 in relation to the Retail Price Index published by the Office of National statistics in September.
3. It is proposed to extend this charging policy for a further three years and to review the policy again in 2014.

### **Recommendation**

4. That all car parking licence fees are to be subject to review annually from 24 June 2012 over the next three years. The increase to be calculated by reference to the Retail Price Index published by the Office for National Statistics in September of each respective year to allow appropriate notice to be given to Barbican residents.
5. The effect of this will be that from 24 June 2012 the annual licence fees for
  - annual residential car parking licences will increase from £1070 to £1,126;
  - daily car parking charges will increase from £8.75 to £9.20;
  - annual commercial car parking licences will increase from £3,917 to £4,121 (excluding VAT);
  - annual residential motorcycle licences will increase from £200 to £210;

- administration fees for new car bay licences will increase from £53 to £56;.
  - annual fees for electrical mobility scooters will increase from £356 to £375;
  - annual fees for bicycle stores will increase from £75 to £79;
6. The purchase price for a car bay on the estate will remain at £8,000.
7. These measures would increase Car Parking revenue for 2012/13 (24 June to 31 March) by an estimated £34K at current levels of occupancy (£45K in a full year).

## **Main Report**

### **Background**

8. The Barbican Residential Committee at its meeting on 26 January 2009 resolved that the fees for car parking would be subject to an increase over the next three years with the increase to be calculated by reference to the Retail Price Index (RPI) published in September each year. This method has been accepted by residents and it proposed to extend this method of calculation for a further three years. This method of calculation has resulted in increases of 4.9% in 2009, nil in 2010 and 5.2 % in 2011. The RPI published in September 2011 was 5.2%.
9. There are currently 1497 car bays within the Barbican Estate's car parks. The below table details the current car bay letting figures and by applying the RPI published in September this year of 5.2%, the following car parking charges will apply.

| Licence Type  | Number of Rentals | Current Rate | New Rate |
|---|-------------------|--------------|----------|
| Residential Car Bay                                       | 744               | £1,070       | £1,126   |
| Commercial Car Bay (excludes other contracts, net of VAT) | 15                | £3,917       | £4,121   |
| Residential Motorcycle Bay                                | 27                | £200         | £210     |
| Bicycle Lockers   | 100               | £75          | £79      |

## **Other Proposals**

10. Consideration could be given to alternatively using the Consumer Price Index (CPI), currently at 4.5 per cent over the last 12 months. CPI measures changes in the price level of consumer goods and services purchased by households. However, due to the pressures of achieving the savings set out in the recent Barbican Estate Car Park Efficiency Strategy Working Party a review of the charging mechanism would not be appropriate at this time.

## **Financial Implications**

11. An increase of 5.2% in car bay licence fees would result in an increase of income for 2012/13 (24 June to 31 March) by an estimated £45,000 in a full year at current levels of occupancy.

## **Consultees**

12. The Chamberlain, Comptroller & City Solicitor and City Surveyor have been consulted in the preparation of this report.

## **Conclusion**

13. The 2005 Car Park Strategy Working Party residents' survey concluded that price was not the main driver in determining the level of demand of car park spaces. However, The City has a duty to achieve a reasonable return from its assets having regard to market levels and any net surplus generated benefits the City Fund. I feel that the continuation of the current charging policy is a sensible way to proceed and to review it again in 2014.

## **Background Papers:**

Car Park Strategy Stage One report 2009

Barbican Estate Car Park Efficiency Strategy Working Party report 2011

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